GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:5723
ANSWERED ON:30.08.2001
CONTRACT FARMING
NAWAL KISHORE RAI;RAMJI LAL SUMAN

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the contract system has been introduced in the agriculture sector under the new agriculture policy;

(b) if so, the areas in the country where the multinational companies have started work in agriculture sector along with the area of land in which they have undertaken the cultivation so far; and

(c) the category of farmers to which the said area of land belongs?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHRIPAD Y. NAIK)

(a)to(c): No specific programme for promotion of agriculture on contract basis been initiated under the National Agriculture Policy announced in July, 2000. Contract Farming, however, is already being practiced in different States for production of various crops such as sugarcane, tobacco, oil palm, horticultural crops, plantation crops etc., besides production of seeds of different crops.

Under the Contract Farming arrangements, the farmers carry on cultivation oncontract basis with buyback arrangements with the companies, including multinational companies. Contract Farming promotes and facilitates transfer of technology, in flow of quality inputs and funds, improved post harvest practices and assured market for agricultural produce.

Data bases on the coverage and operation of contract farming practices in different States have not yet been developed.